

**Testimony
of
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Immediate Past President
The Maritime Law Association of the United States
before the
Subcommittee on Surface Transportation
and Merchant Marine
Committee on Commerce, Science
and Transportation
United States Senate
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Senator Hutchison and members of the subcommittee. My name is Chester D. Hooper. I am the Immediate Past President of The Maritime Law Association of the United States (MLA). Our President, James F. Moseley, regrets that he cannot be here today. He is acting, with our Second Vice President, William R. Dorsey III, as a pro bono advisor to our State Department at a meeting of the Legal Committee of the International Maritime Organization of the United Nations in London. I do have with me today, our First Vice President, Howard M. McCormack, the Chair of our Committee on the Carriage of Goods, Vincent M. DeOrchis, and the Reporter and principal drafter of the Carriage of Goods by Sea Act 1998, Michael J. Sturley, the Stanley D. and Sandra J. Rosenberg Centennial Professor and Director of Graduate Studies at the University of Texas Law School at Austin, Texas.

Thank you for the opportunity to appear before you today to explain a compromise that many sectors of the Maritime Industry in our country have been working on for the last six years. As Immediate Past President of the MLA, I also thank you for the opportunity to participate in the completion of the project I did not complete during my watch as President.

The present United States Carriage of Goods by Sea Act, 46 U.S.C. App. §§1300, et seq. (COGSA 36) was enacted in 1936 and is in serious need of updating. While the 1936 Act may have met the needs of that time for cargo damage claims, the marketplace has changed drastically in the intervening years. Other nations – our international trading competitors – have adopted laws more reflective of current needs. As a result of disadvantages contained in our 1936 Act relative to the carriage of goods laws of other countries, United States shippers and receivers of cargo must often travel to foreign countries to obtain the recoveries now available to their foreign competitors. Some ocean carriers' bills of lading even prevent, by means of choice of forum clauses, United States cargo interests from filing suit in the United States. The United States Supreme Court, in Vimar Seguros y Reaseguros, S.A. v. M/V SKY REEFER, et al., 115

S.Ct. 2322, 1995 AMC 1817, upheld foreign forum selection clauses in ocean bills of lading.

The Carriage of Goods by Sea Act of 1998 (COGSA 98) will eliminate the need to travel to foreign countries; it will increase the carrier's limitation to the same amount used by nations that represent about 70% of the United States foreign trade. COGSA 98 will overrule SKY REEFER and will render foreign choice of forum clauses void in most cases. COGSA 98 will thus solve these as well as other problems caused by COGSA 36. COGSA 98 may well form a model for other maritime nations to follow to restore world uniformity for the carriage of goods by sea.

COGSA 98 is able to accomplish these objectives because it is a compromise amongst various sectors of the United States ocean shipping industry. No sector of the industry is pleased with all aspects of the compromise, but all sectors are willing to accept the compromise as a whole. All sectors of the ocean shipping industry realize that uniformity of maritime law must be restored and that COGSA 98 may provide a good starting point. Uniformity with regard to cargo loss and damage existed in a great majority of the maritime world when COGSA 36 was enacted by the United States. The unity was based on the Hague Rules¹ which were finalized in 1924. They were enacted domestically, with minor exceptions, as the United States Carriage of Goods by Sea Act in 1936, and were ratified by the United States with the same exceptions in 1937.

As technology in ocean transportation changed, and as inflation lowered the value of the treaty's limitation of liability provision, both the Hague Rules, and COGSA 36 needed to be

¹ Brussels Convention for the Unification of Certain Rules of Law Relating to Bills of Lading, Aug. 25, 1924, 51 Stat. 233, T.S. No. 931, 120 L.N.T.S. 155, *reprinted in* 6 Benedict on Admiralty doc. 1-1 (7th ed. 1993); enacted with certain minor changes as the United States Carriage of Goods by Sea Act (COGSA), 46 U.S.C. App. §§ 1300, *et seq.*

amended. In 1968, the Comité Maritime International (CMI)² finished work on the Visby Amendments to the Hague Rules. In 1979, the CMI modified the amendments with a Protocol to base the limitation amount on Special Drawing Rights of the International Monetary Fund.³ The Hague Rules as amended by the 1968 Visby Amendments and the 1979 Protocol are generally referred to as the Hague/Visby Rules.

In 1978, the United Nations Commission on International Trade Law finished drafting a completely different set of rules, the Hamburg Rules.⁴ Uniformity suffered as a result.

In addition, several nations have amended their laws governing the carriage of goods by sea to laws other than Hague/Visby or Hamburg. Over the years, various courts of various countries have interpreted the Hague Rules and Hague/Visby Rules somewhat differently. As a result, the law governing the carriage of goods is now confused. The tables annexed to this testimony as an appendix list the nations that have adopted the Hague Rules 1924, the Hague/Visby Rules, and the Hamburg Rules as well as legislation similar to those rules. It also lists nations that have enacted different regimes. COGSA 98 has the possibility of starting the international uniformity restoration process. Our State Department has recommended to the United Nations Commission on International Trade Law (UNCITRAL) that UNCITRAL draft a new treaty to govern both the carriage of goods by sea and the negotiability of bills of lading. Our State Department has further suggested that UNCITRAL not draft the treaty itself, but that it request non-governmental, international associations such as Comité Maritime International

² An international association of national maritime law associations. CMI was founded in 1897 and has drafted many maritime treaties, including the Hague Rules.

³ The Special Drawing Right (SDR) is a fictitious currency used by the International Monetary Fund to temper fluctuations amongst currencies. It is a mixture of United States dollars, British pounds sterling, Japanese yen, German marks and French francs. Its value in various currencies is reported daily. As of April 1, 1998, one SDR was valued at about \$1.34.

⁴ United Nations Convention on the Carriage of Goods by Sea, Mar. 31, 1978, 17 I.L.M. 608, *reprinted in* 6 Benedict on Admiralty doc. 1-3 (7th ed. 1993).

(CMI) to work on the initial draft and to submit it to UNCITRAL. Both UNCITRAL and CMI are agreeable to this suggestion. COGSA 98 may provide guidance for this project if it is enacted before the CMI draft is completed. As is explained later in the testimony, COGSA 98 eliminates the error of navigation or management defense. If the United States eliminates that defense, the CMI draft may eliminate it as well. If the United States does not act first, the CMI draft may retain the error of navigation or management defense and we may be presented with a convention the United States is not willing to ratify.

The MLA, various underwriters of cargo and ships, and numerous ocean carriers have, since 1968, urged ratification of the Hague/Visby Rules. On the other hand, certain cargo interests have, since 1978, urged ratification of the Hamburg Rules. As a result of this disagreement, neither the Hamburg Rules nor the Hague/Visby Rules have been ratified by this country, and the United States is out of step with our trading partners.

Our cargo shippers may not look to our courts to recover what their foreign competitors may recover in their own courts. Nations that comprise approximately 70% of the United States' trade have enacted the Hague/Visby Rules, while nations that comprise about 2% of the United States' trade have enacted the Hamburg Rules. COGSA 36 limits an ocean carrier's liability for cargo damage or loss to \$500 per package or, for cargo not packaged, \$500 per customary freight unit. COGSA 98 adopts the higher Hague/Visby limit. The Hague/Visby Rules limit the carrier's liability to 666.67 Special Drawing Rights of the International Monetary Fund (SDRs) per package, or 2 SDRs per kilogram, whichever is higher. As of April 1, 1998, an SDR was valued at about \$1.34. At this rate, the limit per package would be \$893.34, and per kilo \$2.68 (\$1.22 per pound). In addition, the Hague/Visby Rules generally do not consider larger packages such as pallet loads or ocean containers as packages if they contain smaller packages. The smaller packages are generally the limitation packages, and are usually worth less than the \$893.34 package limit. The Hamburg Rules use the same limitation system as the Hague/Visby

Rules, but the Hamburg Rules' limitation amount is slightly higher than Hague/Visby's.

In 1988, the Department of Transportation held meetings of various parties in the United States interested in the carriage of goods by sea in an effort to reach a compromise between the Hague/Visby factions and the Hamburg factions. In 1992, the Subcommittee on the Merchant Marine of the Committee on Merchant Marine and Fisheries of the House of Representatives held Oversight Hearings for the same reasons. The parties still disagreed.

Approximately six years ago, the Committee on the Carriage of Goods of the MLA appointed a working group comprised of persons interested in various aspects of the carriage of goods by sea. This working group was asked to attempt to reach a compromise. COGSA 98 is that compromise.

At the outset, those interests favoring the Hamburg Rules insisted that the error of navigation or management defense be eliminated. That defense would exonerate a carrier if cargo were lost or damaged as the result of an error in the navigation of a vessel or the management of a vessel at sea. The drafters of the Hague Rules in the 1920s reasoned that an error of navigation or management at sea was beyond the control of either the shipowner or the cargo owner. They decided not to assign liability for matters not under the control of either party to a contract for carriage of goods by sea. Thus, any damage to or loss of cargo caused by an error of navigation or management of a vessel at sea effectively would be suffered by cargo interests. Correspondingly, any damage to the vessel caused by an error of navigation or management would be suffered by the carrier. That defense, which is part of COGSA 36, has been criticized for many years and should now be eliminated. COGSA 98 eliminates it.

While the sectors of the maritime industry favoring the Hamburg Rules insisted on the elimination of the error of navigation and management defenses, the sectors of the maritime

industry favoring the Hague/Visby Rules insisted on the retention of the catalogue of exemptions from liability (other than errors of navigation or management) contained in the Hague Rules, COGSA 36, and the Hague/Visby Rules. Carrier interests also insisted on a modification of the burden of proof rules and the ability to avoid issuing receipts for quantities of cargo described by shippers in bills of lading, but not checked by carriers.

These basic positions formed the foundation for the compromise. During the course of several years of discussions and drafts, various compromises were reached, improvements were made to COGSA 36, and the intent of the original drafters of the Hague Rules was restored where necessary. As a result, COGSA 98 represents a proposal which is not to the complete liking of any one sector of the maritime industry, but is acceptable, in whole, to all sectors of the ocean shipping industry.

The following paragraphs will describe some highlights of COGSA 98.

1. COGSA will govern the entire multimodal carriage.

COGSA 36 governs, by the force of law, the carriage of cargo by sea from the time it is loaded on board a ship until it is discharged from the ship. This aspect of the law does not address the needs of the modern, multimodal system of transportation. The new act will govern the entire period of carriage described in the through bill of lading. Thus if cargo is shipped from Rotterdam to Chicago, the new act will govern, as between the carriers and cargo interests, from the time the carrier or its trucker or other agent receives the cargo in Rotterdam, through the ocean voyage, discharge in the Port of New York, rail transportation to Chicago and truck transportation to the consignee's premises.

Although trucks and trains are exempted from the direct application of the act, the carrier issuing the through, multimodal bill of lading (probably the ocean carrier) will be liable to cargo interests for the entire period of carriage pursuant to the terms of COGSA 98. The parties and the courts will not have to litigate where damage might have occurred to determine the standard of liability or limitation. As between the carrier and the cargo interests, the standard of liability and the limitation of liability will remain the same throughout the cargo's journey.

In addition, all parties participating in the carriage, other than railroads and trucks will be granted, as a matter of law, all the rights and duties of COGSA 98. The multimodal coverage of COGSA 98 will provide needed certainty to this modern method of cargo transportation.

2. List of Hague/Visby defenses will remain identical to Hague/Visby for the sake of uniformity except for the error of navigation or management defense.

The COGSA 36 duty to exercise due diligence to make the ship seaworthy at and before the commencement of the voyage and the specific list of COGSA 36 exceptions from liability, 46 U.S.C. App. §§1303, 1304, other than error of navigation or management, remain intact in COGSA 98. Thus, the case law that has developed over the last 62 years to interpret COGSA 36, will be available to interpret COGSA 98.

3. The Burden of Proof Rules will be changed to allow apportionment of damage if more than one event combines to cause damage.

At the present time, if two events combine to damage cargo and the carrier would

only be liable for one of those two events, the carrier would generally have the burden to prove the precise amount of damage caused by the event for which it was not liable. This rule was established in the landmark case of Schnell & Co. v. Vallescura, 293 U.S. 296, 1934 A.M.C. 1573 (1934). That case concerned a shipment of onions, which was damaged due to a lack of ventilation during the voyage. The onions were not ventilated for part of the voyage because the seas were too rough to permit ventilation. The onions were not ventilated for other parts of the voyage because the crew failed properly to ventilate them. The Supreme Court placed the burden on the carrier to prove which onions were damaged because of a lack of ventilation during rough weather and which onions were damaged because the crew failed to ventilate them when the weather was not rough. The carrier could, of course, not meet this insuperable burden, and was ordered to pay 100% of the damages.

COGSA 98 would require the finder of fact to apportion the damage between the two causes. If the trier of fact could not determine an apportionment of damages, the trier of fact would have to split damages 50/50 and award a 50% recovery to cargo interests. Thus, if a bulk cargo of grain were damaged partly by a moist condition when it was delivered to the vessel and partly by water which entered through leaking hatch covers, the party who bore the burden of proof would not necessarily have to bear 100% of the damage. Both parties would bear an equal burden, and the damage would be apportioned.

4. Quantity of cargo described by the shipper in the bill of lading but not counted or measured by the carrier.

The courts in the United States have interpreted COGSA 36 to treat the quantity of cargo described by a shipper in a bill of lading as prima facie evidence of the quantity of cargo received by the carrier. The courts grant this prima facie effect to the bill of lading quantity

description even if the carrier does not check, and should not have checked, the quantity of cargo it received. It, in effect, holds a carrier liable for cargo that may have never been delivered to it by the shipper.

COGSA 98 will permit a carrier to avoid this prima facie effect of the quantity description for cargo it did not count and was not expected to count, by a plain warning on the face of the bill of lading such as "shipper's load, stow and count."

If a carrier is unable to measure precisely the amount of a liquid cargo it receives, it will not be bound to the precise quantity placed in a bill of lading by the shipper. The carrier will be able to issue the bill of lading with the quantity description needed by the shipper, but with a warning to prospective purchasers of the bill of lading in the form of a clause such as, "Shipper's Weight, Load, and Count." Similarly, container ship operators will be able to place the same warning on bills of lading by stating "Said to Contain," for sealed containers. Obviously, a container ship operator is not able to check the bill of lading quantity description against the cargo inside a sealed container.

5. Increase of the limitation amount.

This crucial change will bring the United States into unity with nations that have adopted the Hague/Visby Rules or a Hague/Visby system of liability. It will also reduce or eliminate needless and wasteful litigation over the question of what constitutes a COGSA 36 package. COGSA 36 limits a carrier's liability to \$500 per package, or for goods not shipped in packages, per customary freight unit. The freight unit is the unit on which the freight, the charge for carrying the cargo, has been computed. COGSA 98 and Hague/Visby Rules increase that limitation to 666.67 SDRs per package (\$893.34 as of April 1, 1998), or 2 SDRs per kilogram (\$2.68 per kilo or \$1.22 per pound as of April 1, 1998), whichever is higher. Contrary to

COGSA 36, the COGSA 98 and the Hague/Visby Rules do not generally treat a pallet as a package and thus treat each carton loaded onto the pallet as the limitation package. This increase of limitation will allow cargo interests to obtain the same recovery in the courts of the United States which they are now forced to travel to foreign courts to obtain.

6. Choice of Forum Clauses will be limited.

COGSA 98 will overturn Vimar Seguros y Reaseguros, S.A. v. M/V SKY REEFER, et al., 115 S.Ct. 2322, 1995 AMC 1817. SKY REEFER upheld a clause on the reverse side of a bill of lading, that required all disputes to be submitted to arbitration in Tokyo. The purchaser of the bill of lading for oranges carried from Morocco to Boston was required by the court's interpretation of this clause to submit its dispute to Tokyo arbitrators rather than the United States District Court in Boston. COGSA 98 will not honor a provision calling for a forum outside the United States for cargo shipped to or from the United States. If the choice of forum clause calls for arbitration outside the United States for cargo shipped to or from the United States, any party may move a United States court to order arbitration at an appropriate location in the United States.

COGSA 98 represents the first crucial step toward modernization and uniformity of the law governing the carriage of goods by sea. It may very well form a model for other nations to follow. We urge its enactment into the law of the United States. The MLA would be pleased to render any assistance the Subcommittee may request. Thank you for your consideration.

Appendix

A. George F. Chandler, III, Damages to Cargo: The Measure of Damages to Cargo - Redux, 72 Tulane Law Review, 539, 565-569 table 1 (1997).

B. Table of nations governed by The Hague Rules of 1924 or similar legislation.

C. Table of nations governed by The Hague-Visby Rules and other similar legislation.

D. Table of nations governed by The Hamburg Rules.

E. Table of nations governed by other rules.*

* The nations set forth in Tables B, C, D, and E, were obtained from the list of nations in George F. Chandler, III, Damages to Cargo: The Measure of Damages to Cargo-Redux, 72 Tul. L.Rev. 539, 565-569 table 1 (1997). The percentages of trade were obtained from the U.S. Bureau of the Census, Statistical Abstract of the United States: 1997 (117th ed.) Washington D.C. 1997.

Table 1.

A SURVEY OF THE CARGO BY SEA CONVENTIONS
AS THEY APPLY TO CERTAIN STATES

<u>COUNTRY</u>	<u>HAGUE</u>	<u>VISBY</u>	<u>HAMBURG</u>	<u>LIMIT</u>
Algeria	4-13-1964			
Angola	2-2-1952			
Antigua/Barb	12-2-1930			
Argentina	4-19-1961	In Part		£100 gold ¹
Aruba	Comm Code			
Australia	7-4-1955a	7-16-1993 mod 9-15-1997 ² a		667/2 SDR
Austria			7-29-1993	LL 835/2.5 SDR
Bahamas	12-2-1930			
Barbados ³	12-2-1930		2-2-1981	835/2.5 SDR
Belgium	6-2-1930	9-7-1978b		667/2 SDR
Belize	12-2-1930			
Bermuda	12-2-1930d	11-1-1980		667/2 SDR
Bolivia	5-28-1982			LL
Bonaire	Comm Code			
Botswana ⁴			2-16-1988	LL 835/2.5 SDR
Brazil	Comm Code		Signed Only	per B/L
Burkina Faso			8-14-1989	LL 835/2.5 SDR
Cameroon ⁵	12-2-1930	Signed Only	10-21-1993	835/2.5 SDR
Canada	revoked	Comm Code	Conditional	667/2 SDR
Cape Verde	2-2-1952			
Cayman Isl	12-2-1930d	10-20-1983		667/2 SDR
Chile	Signed Only		7-9-1982	835/2.5 SDR
China ⁶ e		In Part	In Part	667/2 SDR
Colombia	In Part			None
Croatia	10-8-1991	Comm Code		667/2 SDR
Cuba	7-25-1977			\$100 Cuban
Cyprus	12-2-1930		Signed Only	
Czech Rep			6-23-95	LL 835/2.5 SDR
Denmark	7-1-1938d	11-20-1975 ⁷ a	Signed Only	667/2 SDR
Dominica	12-2-1930			
Dom Republic				not allowed
Ecuador	3-23-1977	3-23-1977	Signed Only	10,000/30 pgf
Egypt	11-29-1943d	1-31-1983 ⁸	4-23-1979	667/2 SDR
Fiji	12-2-1930			\$236-Fiji
Finland	7-1-1939	12-1-1984 ⁹ a	Signed Only	667/2 SDR
France	1-4-1937	12-10-1977	Conditional	667/2 SDR
Gambia	12-2-1930		2-7-96	835/2.5 SDR
Georgia		2-20-1996	3-21-96	835/2.5 SDR
Germany ¹⁰	7-1-1939	Internally	Signed Only	DM1250/pkg
Ghana	12-2-1930		Signed Only	
Gibraltar	12-2-1930d	12-22-1977		667/2 SDR
Goa	2-2-1952			
Greece	3-23-1993	3-23-1993		667/2 SDR

Grenada	12-2-1930			
Guinea ¹¹	2-2-1952		1-23-1991	835/2.5 SDR
Guyana	12-2-1930			
Holy See		Signed Only	Signed Only (Vatican)	
Hong Kong	12-2-1930d	11-1-1980		667/2 SDR
Hungary ¹²	6-2-1930		7-5-1984	LL 835/2.5 SDR
Iceland		Comm Code		667/2 SDR
India	Revised	Comm Code		667/2 SDR
Indonesia		Comm Code		Dfl/Idr 600
Iran	4-26-1966			
Ireland	1-30-1962	2-6-1997		Irish £100
Israel	11-5-1959	Comm Code		667/2 SDR
Italy	10-7-1938d	7-22-1985	Conditional	667/2 SDR
Ivory Coast	12-15-1961			
Jamaica	12-2-1930			
Japan	12-1-1957d	3-1-1993e		667/2 SDR
Kenya ¹³	12-2-1930		7-31-1989	835/2.5 SDR
Kiribati	12-2-1930			
Korea (S)	Revoked	Comm Code		500 SDR/pkg
Kuwait	7-25-1969			
Lebanon ¹⁴	7-19-1975	4-26-1982	4-4-1983	835/2.5 SDR
Lesotho ¹⁵			10-26-1989	LL 835/2.5 SDR
Liberia	Revoked	Comm Code		667/2 SDR
Macao	2-2-1952			
Madagascar	7-13-1965 (as Malg Rep)		Signed Only	
Malaysia	12-2-1930			£100 gold
Malawi ¹⁶			3-18-1991	LL 835/2.5 SDR
Mauritania		Signed Only		
Mauritius	8-24-1970			
Mexico	Revoked	5-20-1994	Signed Only	667/2 SDR ¹⁷
Monaco	5-15-1931			
Montserrat	12-2-1930	10-20-1983		667/2 SDR
Morocco			6-12-1981	835/2.5 SDR
Mozambique	2-2-1952			
Nauru	7-4-1955			
Netherlands	8-18-1956	4-26-1982		667/2 SDR
New Zealand	Revoked	12-20-1994a		667/2 SDR
Nigeria ¹⁸	12-2-1930		11-7-1988	835/2.5 SDR
Norway	7-1-1938d	3-19-1974 ¹⁹ a	Signed Only	667/2 SDR
Oman		Comm Code		667/2 SDR
Pakistan	Comm Code		Signed Only	
Panama	Comm Code		Signed Only	per B/L
Papua New G.	7-4-1955			
Paraguay	11-22-1967	Signed Only		LL
Peru	10-29-1964			£100 gold ²⁰
Phillipines	US COGSAb	Signed Only	Signed Only	\$500
Poland	8-4-1937	2-12-1980		667/2 SDR
Portugal	12-24-1931		Signed Only	100,000 Escud
Romania ²¹	8-4-1937		1-7-1982	835/2.5 SDR
Sabah	Comm Code			MSR 850

Sao Tome	2-2-1952			
Sarawak	11-3-1931			MSR 850
Senegal	2-14-1978		3-17-1986	835/2.5 SDR
Seychelles	12-2-1930			
Sierra Leone ²²	12-2-1930		10-7-1988	835/2.5 SDR
Singapore	12-2-1930	4-25-1972	Signed Only	SDG 1563.65/4.69
Slovakia			Signed Only	
Slovenia	6/25/91			\$4.
Solomon Isl.	12-2-1930			
Somalia	12-2-1930			
South Africa	Revoked	Comm Code	a	10,000/30 pgf
Spain	6-2-1930	1-6-1982		667/2 SDR
Sri Lanka	12-2-1930	10-21-1981		10,000/30 pgf
St Kitts-Nevis	12-2-1930			
St Lucia	12-2-1930			
St Martin-N.Ant.	Comm Code			
St Vin/Gren.	12-2-1930			
Sweden	7-1-1938d	12-9-1974 ²³ a	Signed Only	667/2 SDR
Switzerland	5-28-1954	12-11-1975		LL 667/2 SDR
Syria	8-1-1974	8-1-1974a		10,000/30 pgf
Taiwan	US COGSAb			TWD 9000/pkg
Tanzania ²⁴	12-3-1962		7-27-1979	834/2.5 SDR
Thailand		Comm Code	e	THB10,000/30
Timor	2-2-1952			
Tonga	12-2-1930	6-13-1978		10,000/30 pgf
Trinidad/Tob.	12-2-1930			
Tunisia			11-15-1980	835/2.4 SDR
Turks/Caicos	12-2-1930	10-20-1983		667/2 SDR
Turkey	7-4-1955			£100 Sterling
Tuvalu	12-2-1930			
Uganda			7-6-1979	LL 835/2.5 SDR
United King.	7-2-1930d	10-1-1976		667/2 SDR
UK Virgin Isl	12-2-1930d	10-20-1983		667/2 SDR
United States	7-29-1937b		Signed Only	\$500/pkg
Uruguay		Signed Only		None ²⁵
USSR	Comm Code			
Venezuela			Signed Only	per B/L
Vietnam		Comm Code		10,000/30 gf
Yugoslavia	4-17-1959	Comm Code		667/2 SDR
Zaire	7-17-1967		Signed Only	
Zambia ²⁶			10-7-1991	LL 835/2.5 SDR
134 States	58 (2LL)	44(1LL)	25 (9LL)	[7 no convention]

Abbreviations: a = Restricts/bans forum/arbitration clauses; b = Covers imports; c = Covers receipt to delivery; d = Denounced; e = Covers receipt to delivery and imports; LL = Landlocked; SDR = Special Drawing Right; pgf = Poincarre Gold Franc; pkg = Package; B/L = Bill of Lading; Conditional = In the Commercial Code, but awaiting future events. Comm Code = Not a party to the Convention, but has it in its Code. Signed Only = Signatory to the Convention only.

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notes:

1. The value of gold would be based on current values of gold (about \$9,000.00).
2. Australian COGSA has been amended as part of a compromise to forestall the imposition of the Hamburg Rules in Australia. Specific provisions for the amended act are to be worked out at a later date.
3. Has not renounced the Hague Rules as required by Article 31 of the Hamburg Rules thereby creating a conflict between conventions.
4. Has not incorporated Hamburg into its code such that it is in doubt if its courts will apply Hamburg.
5. See note 3, also has not incorporated Hamburg into its national code such that Hamburg would not be applied by its courts.
6. China has devised its own rules using some features of H/V and Hamburg.
7. For domestic trade and trade between Denmark, Finland, Norway and Sweden, each country has added the Hamburg Rules to its code, but retained H/V's limitation, one year time for suit, and defense of navigation or management error.
8. Has invoked Article 31(4) of Hamburg to defer denunciation of H/V for five years until Nov. 1, 1997, such that Hamburg will only apply to voyages between contracting states through Nov. 1, 1998.
9. See note 7.
10. Germany has incorporated H/V into its code for domestic use and for shipments to H/V countries only. Other international shipments are under the Hague Rules (At DM1250/pkg.). The ratification of H/V by the former GDR, expired when the GDR was absorbed into Germany.
11. See note 3.
12. Has not incorporated Hamburg into its code such that Hamburg would not be applied by its courts.
13. See note 4.
14. Has not renounced the Hague or H/V Rules as required by Article 31 of the Hamburg Rules thereby creating a conflict between conventions.
15. See note 12.
16. See note 12.
17. Mexico has incorporated the UN Multimodal Convention into its code, such that multimodal bills of lading would be subject to the Multimodal Limitation of 920 SDR's per package or 2.75 SDR's per kilogram.
18. See note 5.
19. See note 5.
20. See note 1.
21. See note 3.

23. See note 7.

24. See note 3.

25. If foreign law is applicable, the current value of gold would be used. Under the Hague Rules, that would be about US\$9,000. Under H/V, it would be about US\$7,000.

26. See note 12.

Table B.

NATIONS GOVERED BY THE HAGUE RULES OF 1924 OR SIMILAR LEGISLATION

Nation	Percentage (%) of U.S. Trade
Algeria	.19%
Angola	.21%
Antigua/Barb	.0064%
Bahamas	.063%
Belize	.012%
Bolivia	.038%
Cape Verde	.0% **
Cuba	.0%
Cyprus	.019%
Dominican Republic	.48%
Fiji	.0073%
Ghana	.0033%
Goa	.0%
Grenada	.0028%
Guyana	.017%
Iran	.0%
Ivory Coast	.038%
Jamaica	.16%
Kiribati	.00035%
Kuwait	.26%
Macao	.063%
Madagascar	.0041%
Malaysia	1.86%
Mauritius	.017%
Monaco	.0013%
Mozambique	.0035%
Nauru	.0%
Papua New G.	.011%
Paraguay	.066%
Peru	.21%
Phillippines	1.01%
Portugal	.14%
Sao Tome	0%
Sarawak	0%
Seychelles	0%
Slovenia	0%
Solomon Isl.	0%
Somalia	0.00028%
St. Kitts-Nevis	0%
St. Lucia	0%
St. Vin/Gren.	0%
Timor	0%

** 0% represents \$500,000 or less in trade.

Trinidad/Tob.	.12%
Turkey	.33%
Tuvalu	0%
United States	N/A
Zaire	.023%
	Total Percentage = 5.471

Table C.

**NATIONS GOVERNED BY THE HAGUE - VISBY RULES
AND OTHER SIMILAR LEGISLATION**

Nation	Percentage (%) of U.S. Trade
Belgium	1.37%
Bermuda	.021%
Canada	20.53%
Cayman Isl.	.016%
Croatia	.013%
Ecuador	.23%
France	2.34%
Germany	4.42%
Gibraltar	.0013%
Greece	.093%
Hong Kong	1.69%
Iceland	.035%
India	.67%
Indonesia	.86%
Ireland	.60%
Israel	.88%
Italy	1.91%
Japan	12.93%
Korea(S)	3.49%
Liberia	.0054%
Mexico	9.18%
Montserrat	0%
Netherlands	1.64%
New Zealand	.23%
Oman	.044%
Poland	.11%
Singapore	2.62%
South Africa	.38%
Spain	.69%
Sri Lanka	.11%
Switzerland	1.14%
Syria	.017%
Thailand	1.31%
Tonga	0%
Turks/Caicos	.0034
United King.	4.23%
UK Virgin Isl.	.0043%
Vietnam	.066%
Yugoslavia	.0038
	Total Percentage = 73.917

Table D.

NATIONS GOVERNED BY THE HAMBURG RULES

Nation	Percentage (%) of U.S. Trade
Austria	.030%
Barbados	.019%
Botswana	.0040%
Burkina Faso	.00099%
Cameroon	.0096%
Chile	.45%
Czech Rep.	.063%
Egypt	.27%
Gambia	.00077%
Georgia	.0064%
Guinea	.014%
Hungary	.071%
Kenya	.015%
Lebanon	.047%
Lesotho	.0048%
Malawi	.0061%
Morocco	.051%
Nigeria	.47%
Romania	.036%
Senegal	.0044%
Sierra Leone	0%
Tanzania	.0049%
	Total Percentage = 1.578

Table E.**NATIONS GOVERED BY OTHER RULES**

Nation	Percentage (%) of U.S. Trade
Argentina	.48%
Aruba and Netherland Antilles	.093%
Australia	1.12%
Bonaire	No Information
Brazil	1.51%
China	4.49%
Colombia	0.64%
Denmark	.27%
Dom. Republic	.48%
Finland	.34%
Holy See	No Information
Mauritania	.0014%
Norway	.38%
Pakistan	.18%
Panama	.12%
Sabah	No Information
Slovakia	0%
Sweden	.75%
Taiwan	1.31%
Tunisia	.019%
Uganda	.0023%
Uruguay	.52%
Commonwealth of Independent States (former Soviet Republics)	.69%
Venezuela	1.26%
Zambia	.0078%
	Total Percentage = 14.58%